



UNIVERSITY
OF
JOHANNESBURG

Department of Commercial Accounting

CREDIT CONTROL 1B

BCC11B1

SUPPLEMENTARY ASSESSMENT OPPORTUNITY

Date of Test: 01 DECEMBER 2014

Time: 2 hours

Marks: 100

Assessor: Yusuf Patel

Moderator: Fred Hemmings (Internal)

INSTRUCTIONS:

- This paper consists of 2 pages (including the cover page).
- Start each question on a new page.
- Where applicable, round all calculations to two decimal places, unless stipulated otherwise.

Question	Topic	Marks	Time
1	Collection instruments	25	30 minutes
2	Collection process	10	12 minutes
3	Non-payment of Debtors	16	19 minutes
4	7 C's model of credit analysis	24	29 minutes
5	Credit policy	25	30 minutes
		100	120 minutes

QUESTION 1**(25 marks)**

Discuss in detail five collection instruments that can be used during the collection procedure.

QUESTION 2**(10 marks)**

Explain when a collection process is used and list and discuss in detail the three phases of the collection procedure

QUESTION 3**(16 marks)**

Give eight reasons for non-payment by debtors and give a reason for each

QUESTION 4**(24 marks)**

Briefly discuss the 7 C's of credit.

(14)

Discuss five further factors that can be taken into account when granting credit to another enterprise opposed to an individual

(10)

QUESTION 5**(25 marks)**

Discuss in detail the different components of a credit and collections policy
